

Maine Revised Statutes
Title 11: UNIFORM COMMERCIAL CODE
Article :

§9-1324. PRIORITY OF PURCHASE-MONEY SECURITY INTERESTS

(1). Except as otherwise provided in subsection (7), a perfected purchase-money security interest in goods other than inventory or livestock has priority over a conflicting security interest in the same goods, and, except as otherwise provided in section 9-1327, a perfected security interest in its identifiable proceeds also has priority, if the purchase-money security interest is perfected when the debtor receives possession of the collateral or:

(a). In the case of goods covered by Title 29-A, chapter 7, within 30 days thereafter; or [2003, c. 652, Pt. A, §2 (NEW); 2003, c. 652, Pt. A, §7 (AFF).]

(b). In all other cases, within 20 days thereafter. [2003, c. 652, Pt. A, §2 (NEW); 2003, c. 652, Pt. A, §7 (AFF).]

[2003, c. 652, Pt. A, §2 (AMD); 2003, c. 652, Pt. A, §7 (AFF) .]

(2). Subject to subsection (3) and except as otherwise provided in subsection (7), a perfected purchase-money security interest in inventory has priority over a conflicting security interest in the same inventory, has priority over a conflicting security interest in chattel paper or an instrument constituting proceeds of the inventory and in proceeds of the chattel paper, if so provided in section 9-1330, and, except as otherwise provided in section 9-1327, also has priority in identifiable cash proceeds of the inventory to the extent the identifiable cash proceeds are received on or before the delivery of the inventory to a buyer, if:

(a). The purchase-money security interest is perfected when the debtor receives possession of the inventory; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(b). The purchase-money secured party sends an authenticated notification to the holder of the conflicting security interest; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(c). The holder of the conflicting security interest receives the notification within 5 years before the debtor receives possession of the inventory; and [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(d). The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in inventory of the debtor and describes the inventory. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(3). Subsection (2), paragraphs (b) to (d) apply only if the holder of the conflicting security interest had filed a financing statement covering the same types of inventory:

(a). If the purchase-money security interest is perfected by filing, before the date of the filing; or [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(b). If the purchase-money security interest is temporarily perfected without filing or possession under section 9-1312, subsection (6) before the beginning of the 20-day period thereunder. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(4). Subject to subsection (5) and except as otherwise provided in subsection (7), a perfected purchase-money security interest in livestock that are farm products has priority over a conflicting security interest in the same livestock, and, except as otherwise provided in section 9-1327, a perfected security interest in their identifiable proceeds and identifiable products in their unmanufactured states also has priority, if:

- (a). The purchase-money security interest is perfected when the debtor receives possession of the livestock; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (b). The purchase-money secured party sends an authenticated notification to the holder of the conflicting security interest; [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (c). The holder of the conflicting security interest receives the notification within 6 months before the debtor receives possession of the livestock; and [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (d). The notification states that the person sending the notification has or expects to acquire a purchase-money security interest in livestock of the debtor and describes the livestock. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(5). Subsection (4), paragraphs (b) to (d) apply only if the holder of the conflicting security interest had filed a financing statement covering the same types of livestock:

- (a). If the purchase-money security interest is perfected by filing, before the date of the filing; or [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (b). If the purchase-money security interest is temporarily perfected without filing or possession under section 9-1312, subsection (6), before the beginning of the 20-day period thereunder. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(6). Except as otherwise provided in subsection (7), a perfected purchase-money security interest in software has priority over a conflicting security interest in the same collateral, and, except as otherwise provided in section 9-1327, a perfected security interest in its identifiable proceeds also has priority, to the extent that the purchase-money security interest in the goods in which the software was acquired for use has priority in the goods and proceeds of the goods under this section.

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

(7). If more than one security interest qualifies for priority in the same collateral under subsection (1), (2), (4) or (6):

- (a). A security interest securing an obligation incurred as all or part of the price of the collateral has priority over a security interest securing an obligation incurred for value given to enable the debtor to acquire rights in or the use of collateral; and [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]
- (b). In all other cases, section 9-1322, subsection (1) applies to the qualifying security interests. [1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF).]

[1999, c. 699, Pt. A, §2 (NEW); 1999, c. 699, Pt. A, §4 (AFF) .]

SECTION HISTORY

1999, c. 699, §A2 (NEW). 1999, c. 699, §A4 (AFF). 2003, c. 652, §A2 (AMD). 2003, c. 652, §A7 (AFF).

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